hereafter when the conditions would have got completly revolutionised. The Co-operative Enquiry Committee's report is under the review of Government and pending decision on the various recommendation the usual allotments are provided for the ensuing year. The Central Marketing Society is receiving every encouragement in its work. A sum of Rs. 5,000 has been allotted out of the special contribution for development of cottage industries in Depressed Class Colonies. Enhanced provisions for stipends and supply of school requisites and cloths to the Depressed Class students have also been provided.

REVENUE RESERVE FUND

With the proposed transfer of Rs. 20 lakhs from the surplus of 1118 to the Revenue Reserve Fund and the yearly appropriations therefrom the fund is estimated to stand at Rs. 51·75 lakhs at the end of the coming year. The objection sometimes heard that conservation of money in such a fund when there are other more pressing vital requirements would not have been without some force if there were any essential but neglected needs of the present. A perusal of the Budgets of the years following the outbreak of War would show that vital schemes for food production, etc., have been duly undertaken and if any schemes had to be put off it was not for want of money or willingness to take them up but for other insuperable difficulties such as shortage of materials, labour, etc. The after-map of war is sure to confront us with very difficult problems and the post-war reconstruction schemes which have to be launched should find us fully equipped with the necessary funds. Hence the policy of conserving funds which the Government is steadily pursuing stands justified.

WAYS AND MEANS

The developments of the war have been increasingly felt in the ways and means programme of the Government. Procurement and distribution of food materials and other essentials all the State over, on a gigantic scale have largely swelled the financial operations.

The year 1118 closed with a net asset of Rs. 123·03 lakhs of which Rs. 108·80 lakhs lay in capital outlay - investments. The net asset is estimated to rise to Rs. 141·54 lakhs and to Rs. 158·14 lakhs as per the Estimate of the current year and the ensuing year. The outlay in Capital works will stand at Rs. 117·64 lakhs at the end of 1119 and Rs. 130·63 lakhs at the end of 1120.

Thanks to the progress in the economic condition of the people at large the financial position of the State is improving year by year. The Debt head transactions are however mounting high. Ordinarily a cash balance of Rs. 50·00 lakhs would have been ample for the transactions of the State. But the Food Supply measures, Labour Advances and Advances for Acquisition of lands for Military purposes, etc., have necessitated the outlay of large funds. In 1119, an advance of Rs. 500 lakhs is estimated for the Food Supply measures, Rs. 16·00 lakhs for land for Military purposes and Civil aerodromes, Rs.31·20 lakhs for Standard Cloth and Rs. 41·29 lakhs for Labour recruitment thus aggregating to Rs. 588·49 lakhs, excluding other ordinary advances. The liquid resources of the Government at the beginning of 1119 were Rs. 116·13 lakhs consisting of Rs. 90·46 lakhs in Fixed Deposits and Securities and Rs. 25·67 lakhs as cash in Banks and Treasuries. It should be mentioned here that stock to the value of Rs. 4 ·28 lakhs was with the Government at the end of 1118. Against this the current year had a programme of total receipts—both Service and Debt heads amounting to Rs 2722·94 lakhs and of disbursements amounting to the tune of Rs. 2700·49 lakhs. As it was considered inexpedient to convert the gilt-edged securities into cash, an overdraft accommodation has been arranged on reasonable terms to cover the programme. The current year will have to draw upon this overdraft to an aggregate amount of Rs. 200 lakhs. The ensuing year also bids fair to be one of heavy programme on account of the Food supply and other measures on an equally intensive scale. The drawals for advances on account of Food supply measures are expected to come to Rs. 520 lakhs, for Labour recruitment to Rs, 41·29 lakhs and for advances for stocking Standard Cloth to Rs. 3 ·00 lakhs. The total receipts both service and debt heads for the year are estimated to stand at Rs. 2567·27 lakhs and the total expenditure at Rs. 2566·77 lakhs. Against this pregramme the opening balances of liquid resources will be Rs. 178·86 lakhs of which Rs. 90·74 lakhs will lie in fixed deposits and securities and Rs. 88·12 lakhs as cash in Banks and Treasuries. The Ways and Means programme is to be carried out with an aggregate drawal of Rs. 250 lakhs on the overdraft account. Other measures suited to our requirements for raising temporary cash resources are also under consideration of the Government.

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The Public debt stands at Rs. 100 lakhs, the 5 per cent loan which matured in the current year having been converted into one of 3 per cent, the loan amount itself being reduced from Rs. 75 to Rs. 70 lakhs. Against this, reserves comprised of the Revenue Reserve Fund, the Securities Depreciation Fund and Sinking Fund will stand at Rs. 69·65 lakhs, (Rs. 51·75 lakhs under Revenue Reserve Fund and Rs. 1·40 lakhs under Securities Depreciation Fund and Rs. 16·50 lakhs under Sinking Fund). The year is expected to close with a cash balance of Rs. 88·62 lakhs.

Fortunately for Cochin, not only have we none of the collosal losses suffered by countries affected by the war but the wealth of the State is raised by the opportunities of employment, industries and business in all walks of life afforded by the war and this condition is reflected in the Budget before you. The net asset is steadily rising and it will stand at Rs. 158·14 lakhs at the end of 1120. With this financial foundation Government can boldly venture on schemes of post-war reconstruction that will bring material prosperity to the people at large.

CAPITAL OUTLAY

Times are admittedly not propitious for undertaking large schemes of capital outlay in view of the dearth of labour and materials, let alone the inflated values of these. Important schemes have perforce to be deferred to post-war periods but those contributing to an addition to the quota of food materials cannot wait. It is therefore proposed to carry on with the Chalakkudi Irrigation Scheme and the Thanikkudam Scheme for which Rs. 5·00 lakhs is provided. Preliminary investigations are over in respect of the first, and the work is expected to be pushed through vigorously in the course of the next year and a sum of Rs. 3·00 lakhs is provided. The Thanikkudam scheme estimated to irrigate about 24,000 acres is well in hand and investigations are likely to be completed this year itself. The work will be in full swing next year and a sum of Rs. 2·00 lakhs is provided.

Communications.—Under works of communications, the major item is the Anamalais Road Work. Despite difficulties of labour, materials, non-availability of good contractors and other handicaps, sufficient progress has been made in the execution of this work and the first section of the road covering a d stance of about 17 miles will be made fit for traffic by October, 1944. The survey of the second section and the remaining items of work in this section are to be pushed through next year for which a provision of Rs. 6·94 lakhs has been made.

Nelliampathi Cultivation.—It is proposed to start fruit and vegetable cultivation on an experimental scale on the Nelliampathi Hills. 500 acres of land are to be brought under cultivation. 400 acres with potatoes and 100 with fruit trees. Financial considerations apart, the scheme is sure to add to the quantity of vegetables now available in the plains and is calculated to relieve the scarcity experienced in this direction. The scheme has been already taken in hand and a sum of Rs. 0·53 lakh is provided in the Revised estimate and Rs. 0·87 lakh in the Budget estimate.

Goat Farm.—Goat farming has not been developed in the State to any appreciable extent. In view of the possibilities of cheap supply of milk of a highly nutritive and medicinal value, a small experimental farm with a herd of 52 goats of good variety is to be started at the Ollukkara Central Farm at a cost of Rs. 10,000 the major portion of which is to be utilised in this year itself.

Ayurvedic Hospital. The sales section has proved itself to be popular and the profits estimated are about Rs. 40,000. A sum of Rs. 25,000 is provided for purchasing vessels and utensils for the Hospital.

The other items are usual routine ones and do not call for any special comment.

CRANGANUR

Cranganur continues to present an anxious problem despite the general improvement in national wealth resulting from the War. The revenue of Rs. 2·31 lakhs anticipated in the Budget of the current year improves to Rs. 2·73 lakhs and Rs. 2·90 lakhs for the revised and Budget estimates The increase has been under Stamps, Excise and Registration. Expenditure which was fixed at Rs. 2·63 lakhs is also expected to rise correspondingly to Rs. 2·94 and Rs. 3·20 lakhs with the result that the year is to close with a deficit of Rs. 0·21 lakh followed by a further deficit of Rs. 0·30 lakh for the next year. Utmost economy is being exercised. Various concessions in debit beginning with a lump sum contribution of Rs. 10,000 from the State towards establishment charges, exemption from any charges for the supervision of high officers, etc., are given; hookworm campaign costing over Rs. 11,000 is to be undertaken in Cranganur at the expense of the State and a Health Centre is proposed to be opened also at State cost. With all this,

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